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C O N F I D E N T I A L SECTION 01 OF 02 BRASILIA 000099

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DEPARTMENT FOR WHA AND PM

E.O. 12958: DECL: 01/15/2018 TAGS: <u>MARR MASS PREL PTER BR</u>

SUBJECT: OUTSIDE DEFENSE MINISTRY, BRAZILIAN OFFICIALS

EXPRESS CONCERN ABOUT DCA

REF: STATE 3557

Classified By: AMBASSADOR CLIFFORD SOEL, REASONS 1.4 (B) and (D)

- ¶1. (C) Summary. I separate meetings, the Ambassador discussed the roposed Defense Cooperation Agreement (DCA) withMinistry of External Relations (MRE) Under Secretay for Political Affairs Everton Vargas and Long-erm Planning Minister Roberto Managabeira Unger. Although Minister of Defense Jobim and other levels at the MOD continue to strongly support the proposal both Vargas and Unger expressed concern with the proposal and indicated it would be a sensitive and potentially controversial initiative to move through the GOB. Post does not intend to press for response, but will continue to monitor GOB reaction as discussions continue. End summary.
- 12. (C) During a broad-ranging meeting with Vargas on January 11 (septel), the Ambassador provided a copy of a draft Defense Cooperation Agreement (DCA), per reftel. Despite a long series of discussions between USG officials and the Brazilian Ministry of Defense (MOD), as well as informal discussions with MRE at the working level on the issue, Vargas was clearly surprised. He said the Ambassador must understand that, from the MRE's point of view, "we are starting at square zero" on a DCA. The Ambassador reminded Vargas that he had discussed this issue with Brazilian Ambassador to the United States Antonio Patriota, and that it was he who had suggested that the Ambassador should approach the MOD directly. Vargas responded that there would have to be a decision by Secretary General (Vice Minister) Samuel Guimaraes and FM Amorim to enter into discussions with the MOD, and that it was "a very delicate" issue.
- 13. (C) Informed that a diplomatic note would be coming to him shortly with the official proposal for a DCA, Vargas suggested that it would be better to allow him to work the issue informally. (Note: The diplomatic note was delivered on January 14. End note.) He repeated that it was a very delicate and sensitive issue, and that he was concerned that a formal proposal of the DCA via diplomatic note would either receive a quick rejection, or no answer. Vargas said his concern was that he did not want Washington to misinterpret such a reaction as indicative of Brazilian interest in continuing to develop the strong bilateral relationship and progress we are making in other areas.
- 14. (C) In a January 14 meeting with the Ambassador (who was accompanied by PolCouns, DATT, and MLO Chief) that touched on defense cooperation and other possible areas of bilateral cooperation (septel), Unger also voiced concern about a DCA, following up comments he had made to DOD officials who provided him a briefing in Cambridge on December 11 at his

request regarding defense cooperation issues. is heading up an inter-agency effort to revamp  ${\tt Brazil's}$ national defense strategy. End note.) Unger said that he understood the value of the DCA as a "legal facilitator," but felt such a document would "create tremendous commotion for a lot of legal boiler plate." He felt it would be perceived as an effort to move Brazil closer to the United States, and therefore would require an expenditure of an enormous amount of political capital. He worried that it would create enormous controversy within the GOB and, if it were signed, would generate controversy outside the government. Saying he could not discuss the details, he insisted that the issue "is more complicated than it seems" and suggested the USG should understand that there is a "higher level of complexity" in the GOB on this issue. Furthermore, he felt that, if the GOB were to sign the agreement quickly, it would not necessarily be a good sign, but might well signal that more ambitious possibilities for cooperation had effectively been taken off the table. Either way, the expenditure of political capital to achieve the agreement, might well make it more difficult to advance substantive cooperation in areas of greater importance, both in defense and non-defense areas.

15. (C) Comment: The initial negative reaction from Vargas to the proposed DCA was not unexpected. Minister Jobim and other MOD contacts continue to strongly support the initiative, but Vargas' specific mention of Guimaraes, the most hostile among senior GOB officials to closer ties with the United States, combined with Unger's caution, suggests that the matter will be the subject of significant high-level debate within the GOB. There are many in the MRE and among senior policy makers who remain wary of closer relations with the United States, and especially the U.S. military. MOD officials will need sufficient time to make their case that a

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DCA is a standard, operational agreement between friendly countries that is in Brazil's interest to sign. As a result, post does not intend to press for an immediate response, but will take soundings at various levels of the GOB over the next few weeks and seek to gauge how views are developing, while reiterating our view that a DCA would provide an important framework for pursuing further cooperation.

SOBEL